

APRIL 14, 2020

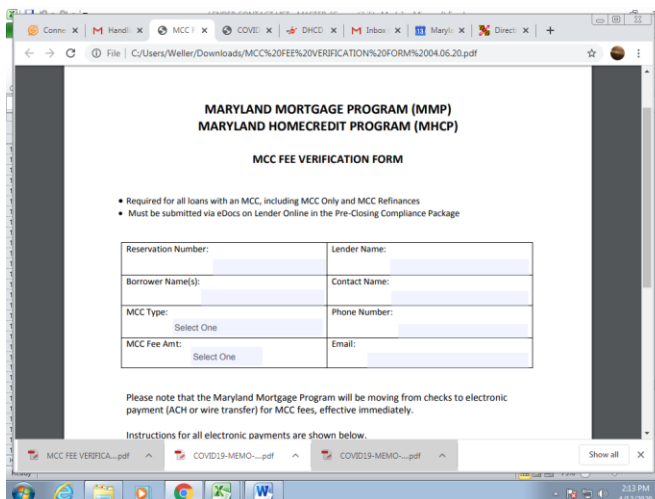
Directive 2020-06

TO: ALL PARTICIPATING MARYLAND HOMECREDIT (MCC) LENDERS

SUBJECT: HANDLING MCC FEES

To improve processing of the borrower fees for the Maryland HomeCredit Program/Mortgage Credit Certificates (MCCs), we are implementing a new procedure to move from checks to electronic payment (ACH or wire transfer), effective immediately. This will work as follows:

- 1) An MCC form will be part of the pre-closing compliance package for any transaction including an MCC. It gets submitted with the rest of the pre-closing compliance documents.



- 2) Before or after closing, but **at least 24-48 hours** (business days) in advance of electronic payment, lender will send a notice email to SingleFamilyHousing.DHCD@maryland.gov with this specific information for each MCC transaction:
 - MMP reservation/loan number
 - Borrower full name
 - Type of transaction (MMP+MCC, MCC-ONLY, or MCC REFINANCE)
 - Who is sending the funds (name of lender or title company)
 - Amount being sent for the transaction (the only options are \$450 for MMP+MCC or RE-ISSUE or \$1,100 for MCC-ONLY)

- 3) MCC fee is sent by wire or ACH. If possible, this should be sent directly from the lender to CDA. Wire/ACH instructions will be included in the closing package. For your convenience, they will also be on the MCC form.
- 4) If more than one MCC fee is included in the wire/ACH, the notice email must include the **total of all transactions at the top** and the specific information for each transaction as detailed in #2.
- 5) There will be one email for each wire and vice versa. If the lender is sending two wires, there should be two emails.
- 6) The total of the transactions identified in the email must exactly match the amount of the transmitted funds. If they don't match, the funds will not be accepted. If we are not in receipt of the notice email at least 24 hours (one business day) prior to receipt of the funds, they will not be accepted.

For MCCs that have received pre-closing approval prior to this directive, the MCC pre-closing compliance form is not required.

It is our intention that this process will help us apply the funds correctly and timely to each loan, thereby clearing the post-closing status more efficiently, and improving the opportunity for maximum lender compensation.

Our MMP staff continues to telework and meet review and turnaround guidelines.

If you have any questions concerning this Directive, please email singlefamilyhousing.dhcd@maryland.gov.

Sincerely,

Karl Metzgar

Karl Metzgar
Assistant Director / Operations Manager
Single Family Housing